

JTG



Linda S. Adams
Secretary for
Environmental Protection

Air Resources Board

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov



Arnold Schwarzenegger
Governor

February 29, 2008

Ms. Sylvia Williams
Business Development Manager, Global XTL Development
Shell International Petroleum Company Limited
Shell Centre, London SE1 7NA, United Kingdom

Dear Ms. Williams:

We are issuing a conditional interim verification for the Shell GTL and 55-percent GTL-blend diesel fuels. The emission reductions were determined pursuant to the Air Resources Board's (ARB) "Interim Procedure for Verification of Emission Reductions for Alternative Diesel Fuels".

The ARB staff has reviewed your submitted data and conditionally verifies that the Shell GTL fuel results in a 11.5 percent reduction in oxides of nitrogen (NOx) emissions and a 11.2 percent reduction in particulate matter (PM) emissions and the Shell 55-percent GTL blend results in a 8.6 percent reduction in NOx emissions and a 1.2 percent reduction in PM emissions, as obtained in accordance with the interim procedure and a supplemental test of the reference fuel. Also, staff has determined that measurements of specified emissions indicate no net increase in overall toxicity, and that hydrocarbon emissions are at least 25 percent lower than any applicable diesel vehicle emission standard.

The conditional interim verification of emissions reductions is subject to the enclosed conditions. Also, the conditional verification of emission reductions does not address the appropriate use of the Shell GTL and 55-percent GTL-blend diesel fuels in regards to possible impacts on engine durability or performance and does not address possible multi-media environmental impacts that may result from the use of the Shell GTL and GTL-blend diesel fuels. Please note that the ARB staff may modify or withdraw verification based on evidence supported by a multi-media assessment.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: www.arb.ca.gov

California Environmental Protection Agency

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If you have any questions, please contact me at (916) 322-6020 or Mr. Gary M. Yee, Manager, Industrial Section at (916) 327-5986.

Sincerely,

A handwritten signature in black ink, appearing to read "Dean C. Simeroth". The signature is fluid and cursive, with a large initial "D" and a stylized "S".

Dean C. Simeroth, Chief
Criteria Pollutants Branch

Enclosure

cc: Mr. Gary M. Yee, Manager
Industrial Section

Mr. Ralph A. Cherrillo
Fuels Technology Advisor – GSUSI-GSMR/5
Shell Global Solutions (US) Inc.
Westhollow Technology Center, Mail Stop: L-172
3333 Highway 6 South
Houston, Texas 77082-3101

CONDITIONS OF INTERIM VERIFICATION OF EMISSION REDUCTIONS

The Air Resources Board's (ARB's) conditional interim verification of emission reductions of the Shell GTL and 55-percent GTL-blend diesel fuels are subject to the following:

1. The Applicant shall provide an annual summary ending each calendar year, specifying the total volume of Shell GTL and GTL-blend diesel fuels marketed for use or sale in California and the total number of California fleets using the fuel. The summary shall be submitted to the ARB by January 31st of each year at the following address:

California Air Resources Board
Stationary Source Division
Criteria Pollutants Branch
P.O. Box 2815
Sacramento, California 95812

2. Limited to the fuel specifications for the Shell GTL fuel as delineated in the Confidential Enclosure.
3. Any violation of the terms of these conditions shall cause the interim verification of emission reductions of the Shell GTL and 55-percent GTL-blend diesel fuels to be void.